

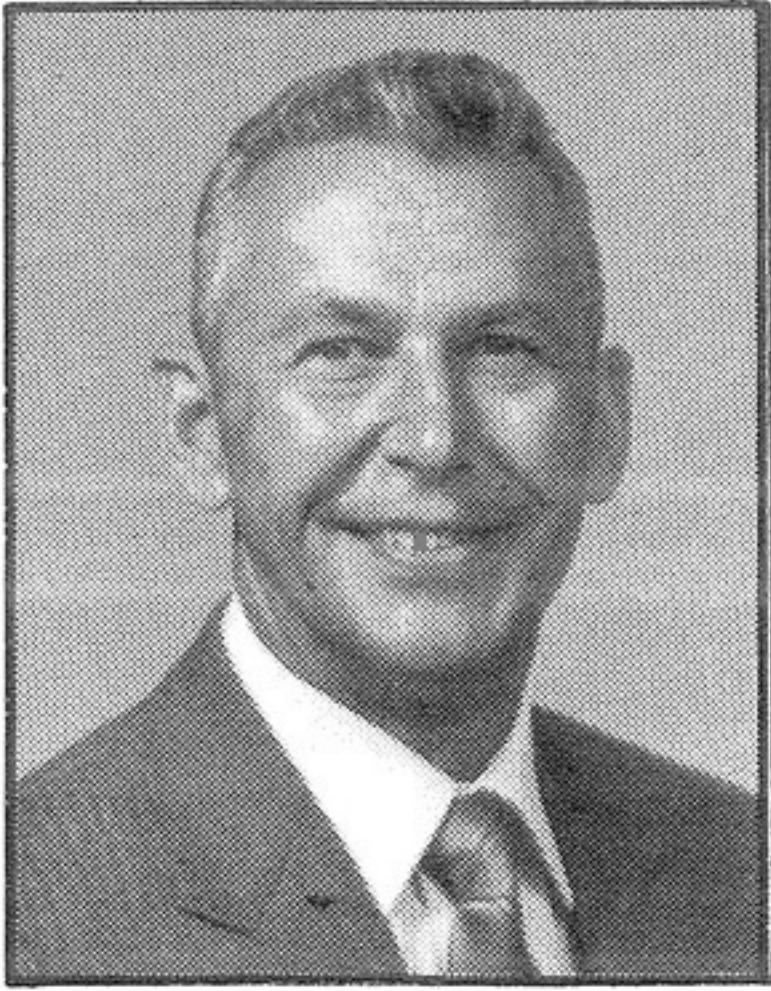
SCOTT® News Capsule

D e c e m b e r 1 9 8 8



Season's Greetings

From the President's Desk...



As the 1988 calendar year draws to a close, it is appropriate that we look back on the significant events which occurred at Scott during the year.

To comment on the state of business at Scott, it is important to start at the top with some of the activities of our parent corporation,

Figgie International, Inc. As most of you are aware, Figgie International passed the one-billion dollar sales mark last December. The corporation continues to make great progress as indicated in the first, second, and third quarter earnings reports thus far this year.

One of the highlights of the year has been Figgie International's announcement that the corporate headquarters will relocate back to Cleveland from Richmond. The move, already well underway, is based on a substantial development opportunity in the Cleveland area. Of course, development at Richmond will still continue with construction of a conference center and related accommodations.

Turning to Scott Aviation, 1988 brought a number of pluses and minuses for us. Among the plus items are:

- Sales in 1988 have been strong in all areas and will be the highest ever for Scott. We have a large backlog of orders which will carry us well into 1989, and we expect 1989 sales to be higher than 1988 sales.
- We have met all criteria for self-contained breathing apparatus as contained in the National Fire Protection Association Standard No. 1981 and have an all-time high volume of orders for Scott Air-Paks®.
- Sales in air purifying products continued their upward trend due to the growing popularity of the Scott 66 half-facepiece respirator introduced last year.
- Aviation sales surpassed forecasts throughout the year and are tied to increased production of corporate, commercial, and general aviation aircraft.
- Scott's outstanding network of Health and Safety and Aviation distributorships continue to be important factors in maintaining Scott's strength in these market places.
- The Aviation sales staff introduced two new constant flow aviation oxygen masks at the fall Manufacturers and Business Aircraft Association show in Dallas. These masks were developed by our Engineering department to replace four old designs. Initial shipments will begin early next year.
- Scott's modernization program for our Machine Shop is ahead of schedule and savings are equal to

or greater than anticipated in the modernization plan.

- The ongoing program to consolidate all Health/Safety air supplied and instrument product assembly in the Monroe, North Carolina plant is proceeding on plan and will be completed in 1989. This will create a center of excellence for Health and Safety products, except for air purifying assembly which will remain in the South Haven, Michigan plant.

While we have had much good news in 1988, there have been some unfavorable factors to report to you:

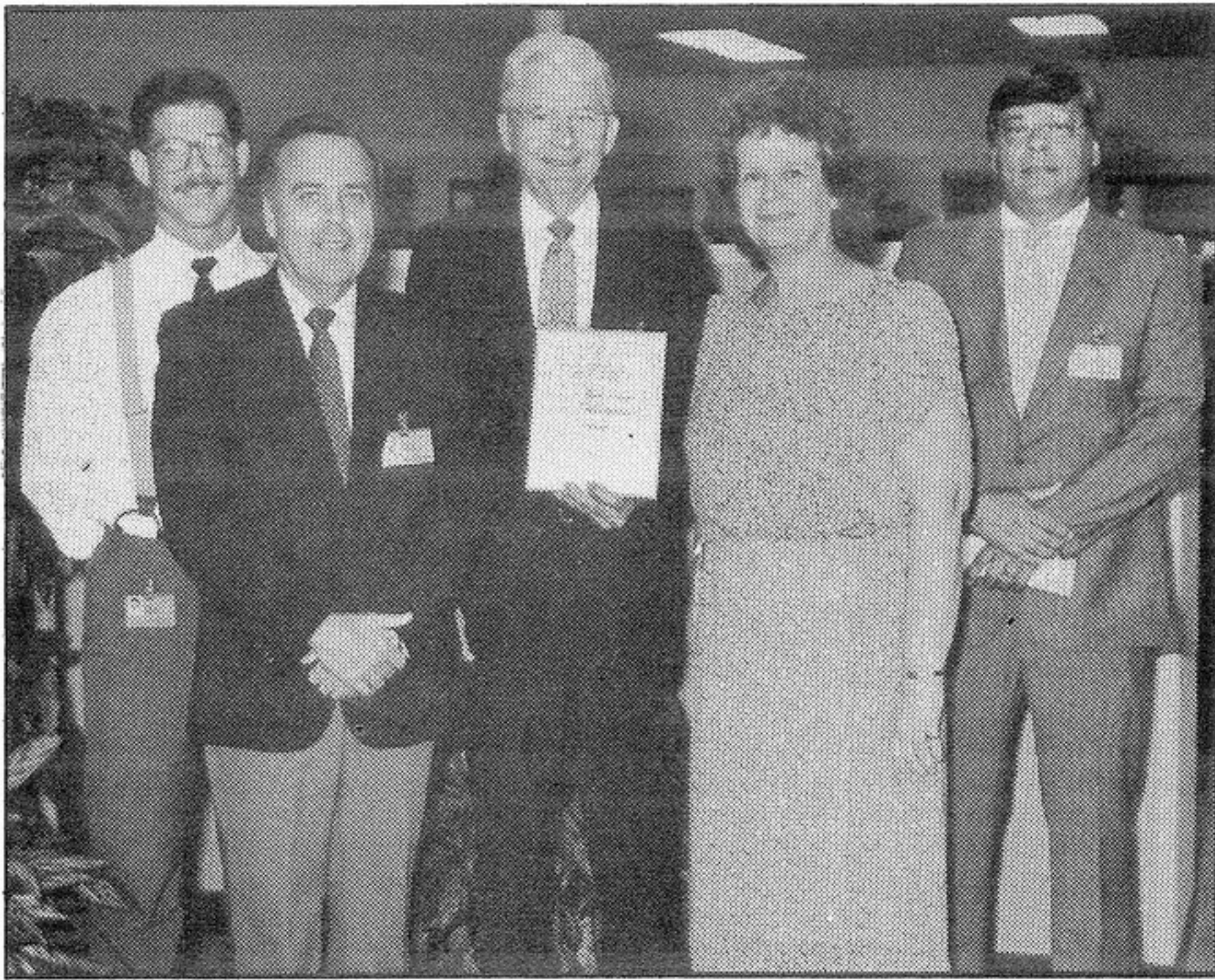
- Principal among these are the technical problems we have experienced with our chemical-biological protective mask production contracts for the U.S. Armed Forces. Although all major issues now appear to be resolved, Scott's inability to manufacture and ship these masks on schedule has had a substantial negative impact on our overall performance against our 1988 business plan. As of this writing, the MCU-2/P mask program for the Air Force and Navy is coming along quite well and we anticipate the Army mask programs to come on stream shortly.
- Inventory remains excessively high. All of us must continue to work hard to bring our inventory to its lowest practical working level. This should occur as our customer deliveries continue to improve, but it requires constant vigilance by every employee.
- In the area of delivery performance and customer service, the sudden and enormous influx of orders in all business segments in 1988 has stretched Scott's factory capacities. We are working three shifts per day/seven days per week in our modern Machine Shop and have at least two shifts operating in most assembly areas to meet customer demands. We are also working hard to improve our delivery performance through better forecasting, planning, and materials purchasing. We are projecting dramatic improvement in our customer delivery times by early 1989.

A most significant event in which every Scott employee can take great pride occurred in September when Mr. Harry E. Figgie, Jr. presented Scott Aviation with the Figgie International Chairman's Award for outstanding performance for 1987 among the larger divisions of the corporation. This is a prestigious recognition and was made possible through the collective hard work and dedication of every member of the Scott team.

Obviously, I could go on about the Scott accomplishments in 1988, but I will close with my sincere thanks and appreciation to each of you for your contributions to Scott in 1988. And to each of you I send my earnest wish for a blessed and joyful Christmas and Hanukah season and for your best New Year yet filled with much joy and happiness.

Allen H. Light, Jr.

Scott - Monroe Presented Excellence Award



On September 15th, 1988 the "Unisys Plant Supplier Excellence Award for 1987" was presented to Scott Aviation - Monroe and accepted by Clayton Daniel, Plant Manager, Contracts.

This is a very prestigious award. Scott was selected from hundreds of Unisys suppliers and only two suppliers were awarded this Excellence Award.

The award selection process was based upon a weighted formula which included quality, delivery, price and service. Unisys thanks all the employees at Scott for a "job well done."

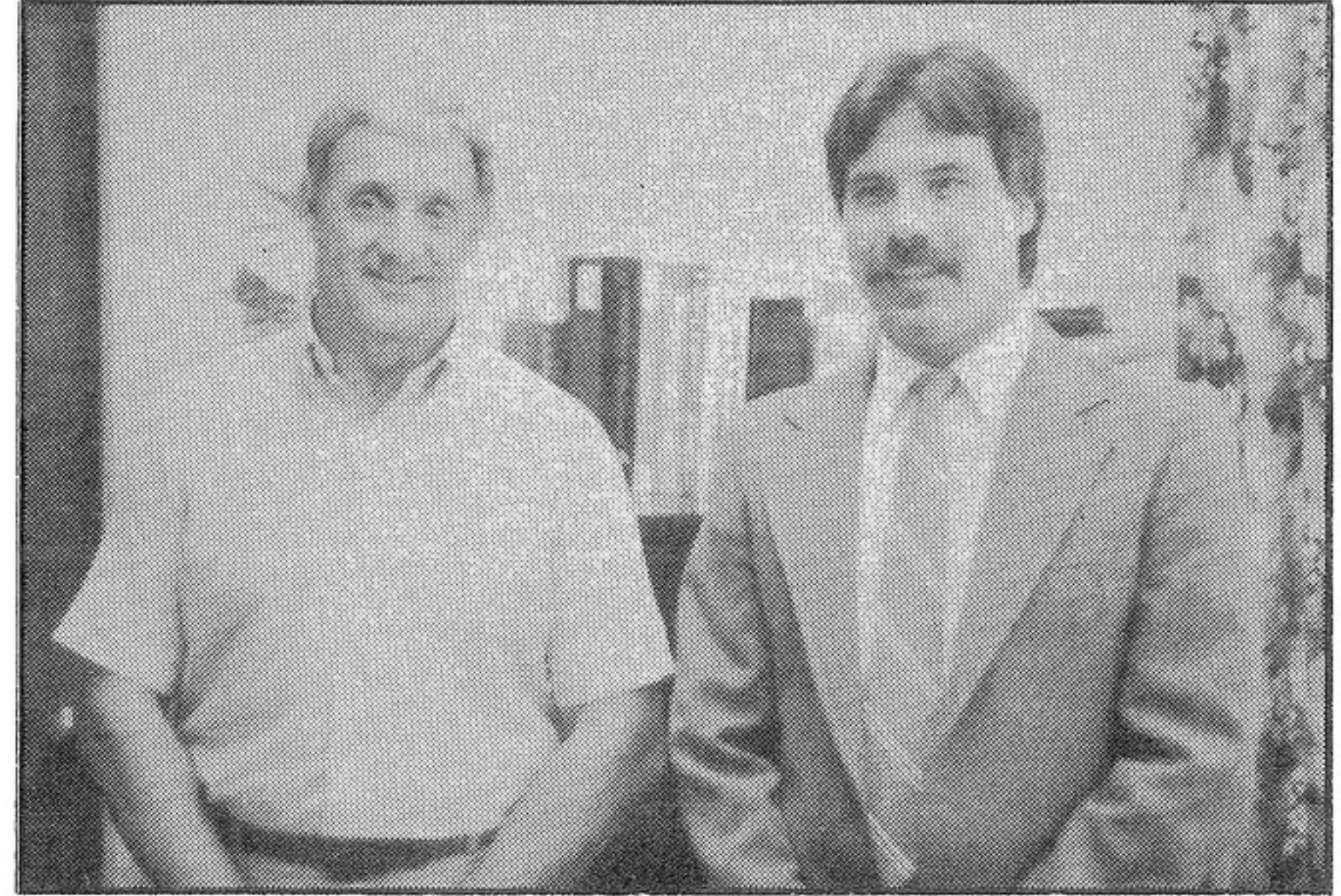
Smoke Detectors Save Lives

Whether you live in a house or apartment, your home should be equipped with smoke detectors. Install one on each level, including one outside each sleeping area. Clean them regularly, test them monthly, and replace dead batteries immediately.

The U.S. Consumer Product Safety Commission advises, "Properly installed and maintained, the home smoke detector is one of the best and least expensive means of providing early warning when a fire begins, before the concentration of smoke reaches a dangerous level, and before the fire becomes too intense. Smoke detectors save lives, prevent injuries, and minimize property damage by enabling residents to detect fires early."

Value Management Suggestion Program Announces Winners

In October, Scott Aviation was pleased to present the quarterly prize awards for the Value Management Suggestion Program. These awards were for implemented suggestions that had been received through September 30, 1988. Our award winners were:



Russ Bauer and Jan Petroci

Russ Bauer - Discovered that high pressure air was being used unnecessarily for a drying procedure in Aviox. Scott realized a labor and cost savings through Russ' suggestion.

Jan Petroci - Realized a spacer would no longer be required after a redesign adapter was implemented in our instruments line. Scott realized a material and labor savings.

Our quarterly winners are eligible to select a lovely prize from a "Gift-A-Log" catalog selection. Our cost saving suggestion program is open to all Scott employees at all plants. Suggestion forms can be obtained from your Operations Manager or from your Human Resources Department. All of your ideas are important. Please keep them coming.

Thanks again for your support and congratulations to this quarter's winners.

Lynn Schurr

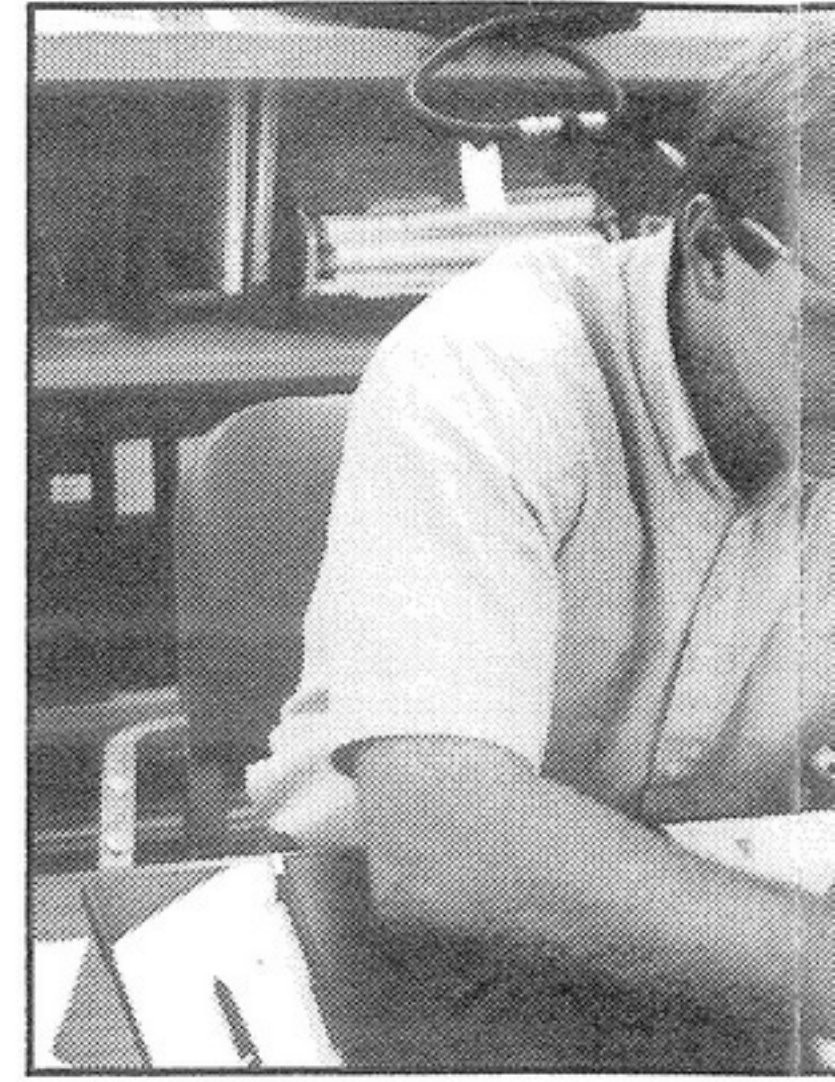




BETTY SLOAN
Assembler/Machine Operator B



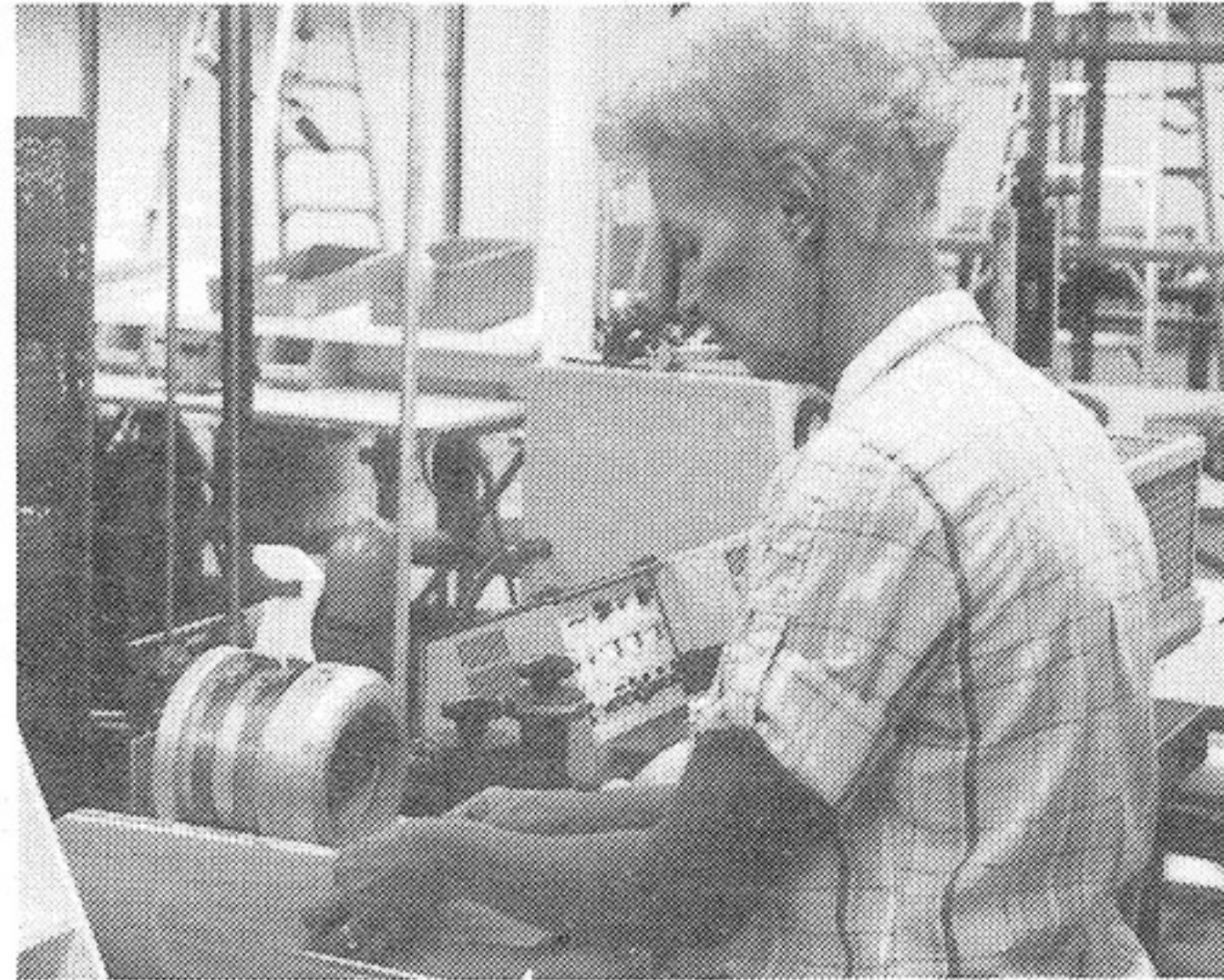
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SCOTT PHILLIPS
Supervisor



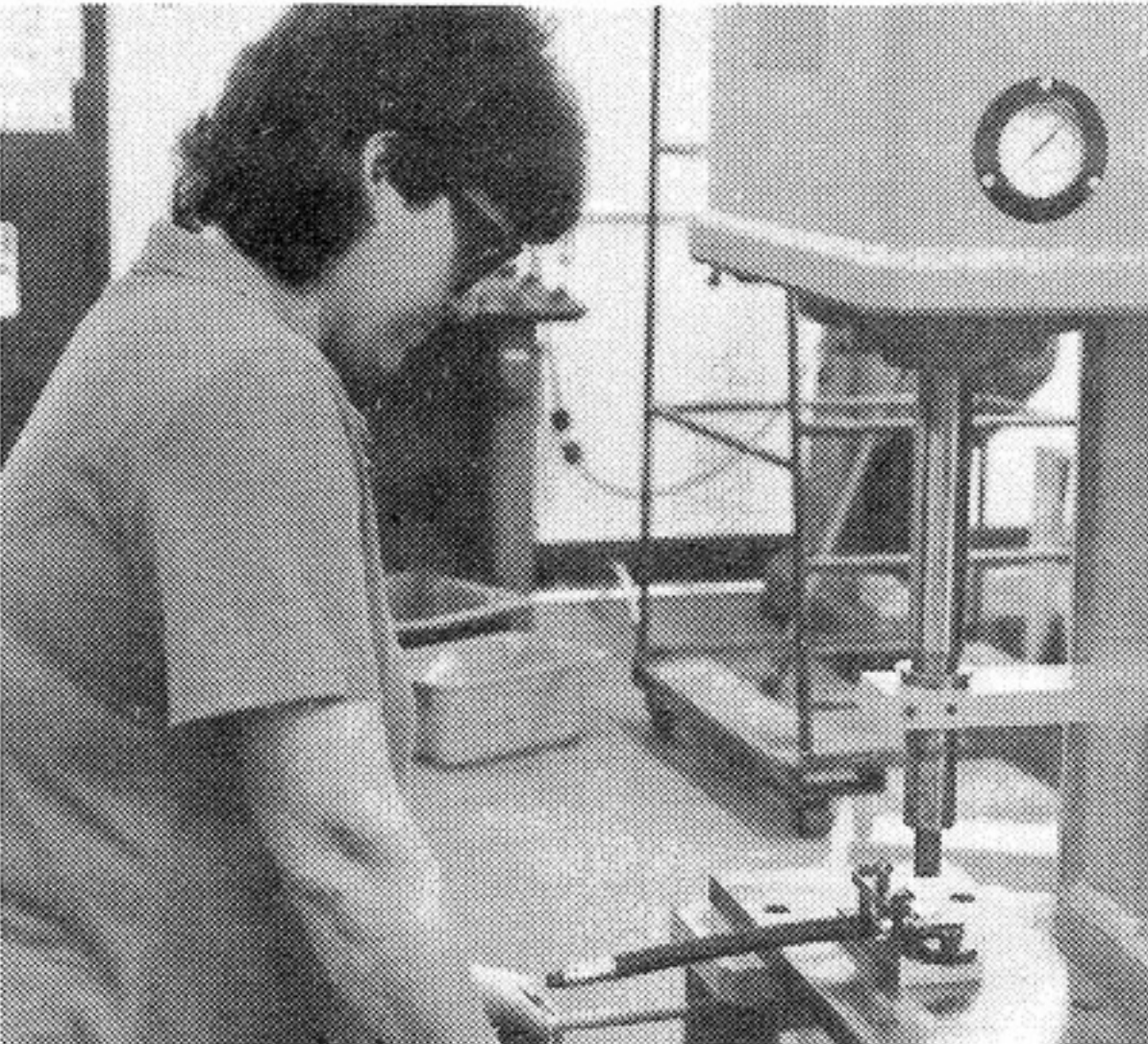
MARTHA CROWLEY
Assembler/Machine Operator A



ANNIE KEZIAK
Assembler/Machine Operator A

SPOTLIGHT

Meet some of the people who are involved in the assembly/inspection of assemblies at our Monrovia facility. They are striving for quality Air-Paks each day.



ANN WILLIAMS
Assembler/Machine Operator A



DARLENE RAPE
Inspector B



TERESA STARNES
Assembler/Machine Operator A



GAIL HINSON
Assembler/Machine Operator B



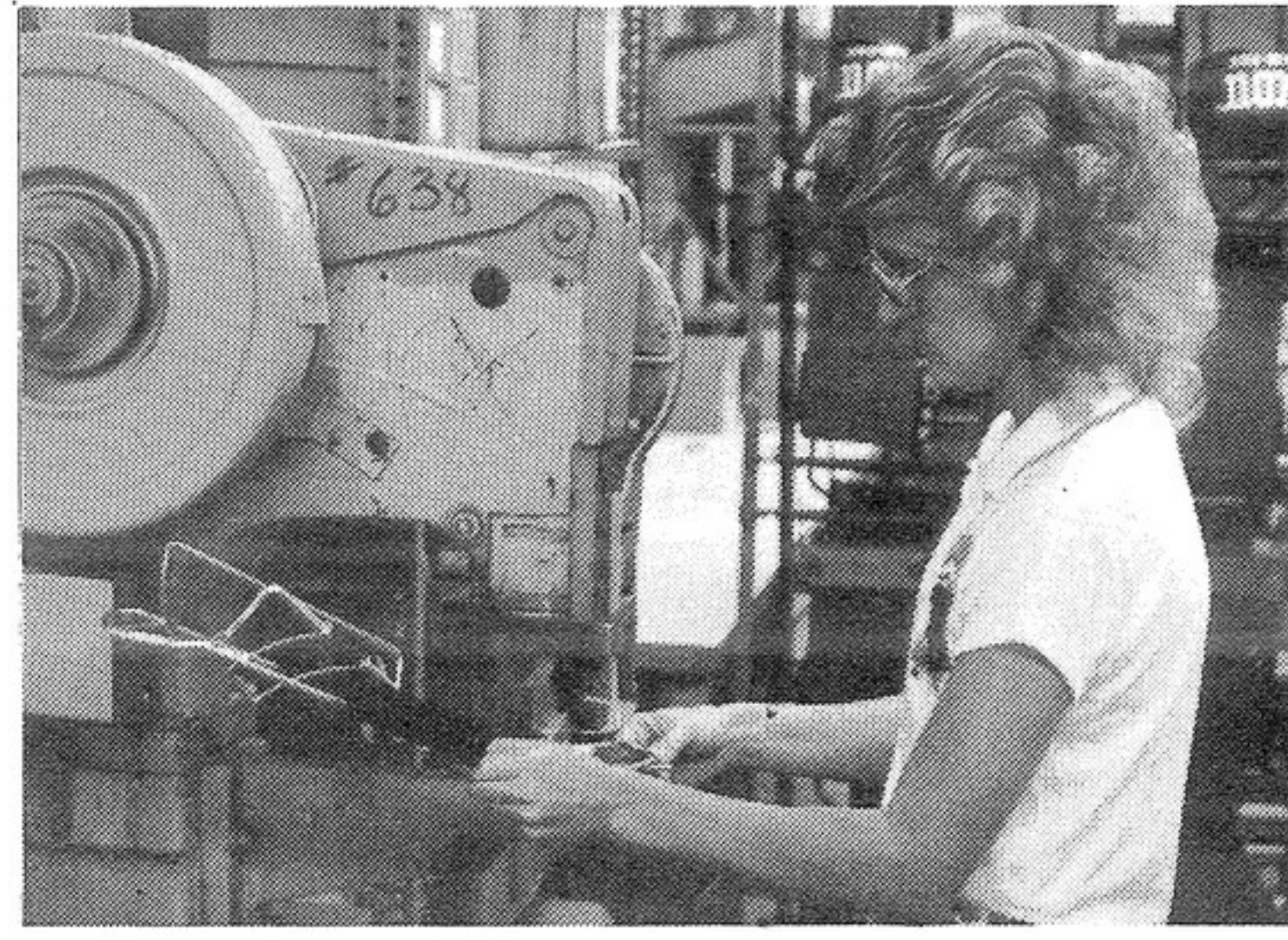
GERNARD HENDERSON
Assembler/Machine Operator A



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BERNICE BAUCOM
Assembler/Machine Operator B



CINDY NIVEN
Assembler/Machine Operator B

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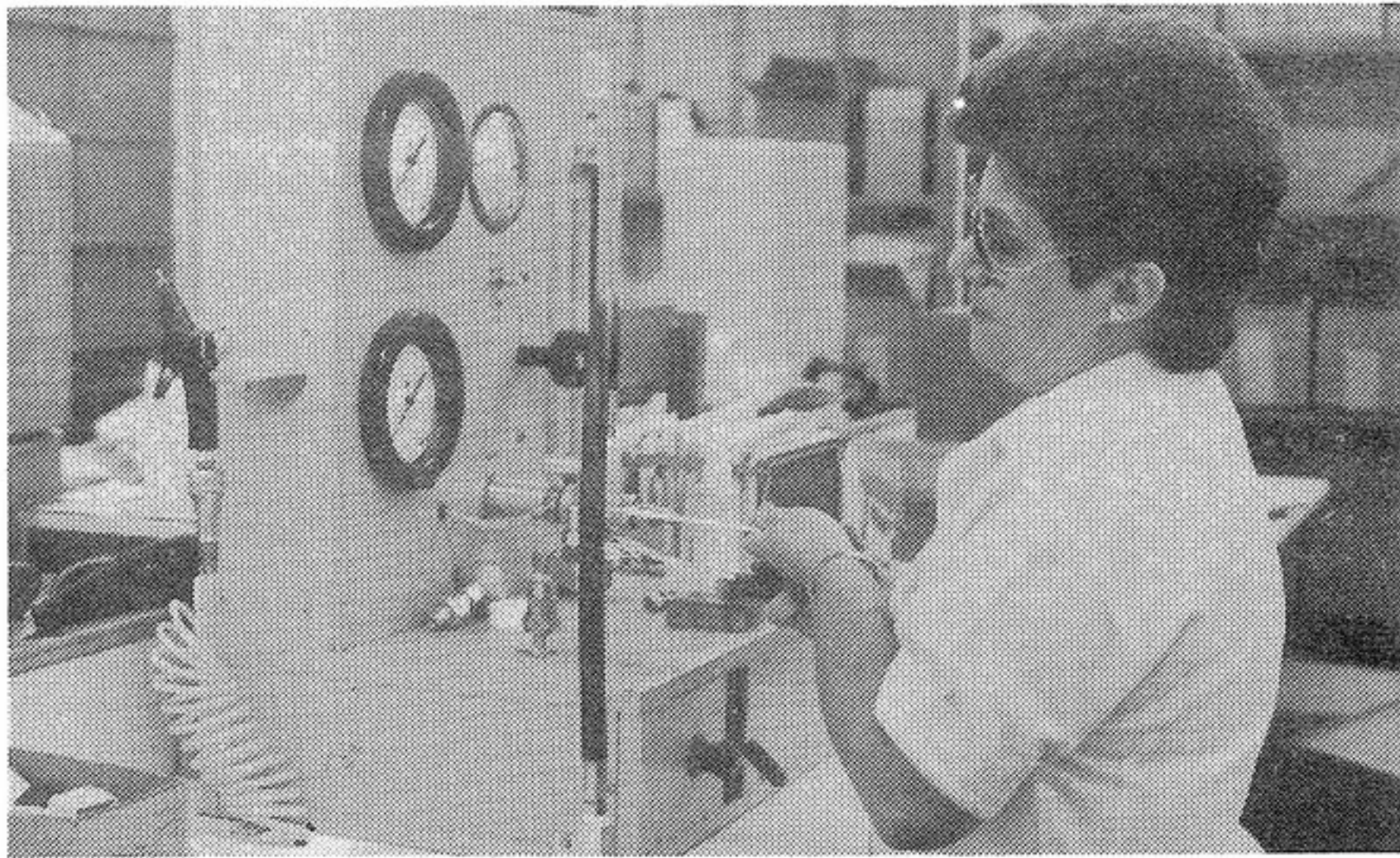
ELEAN HIGH
Assembler/Machine Operator A



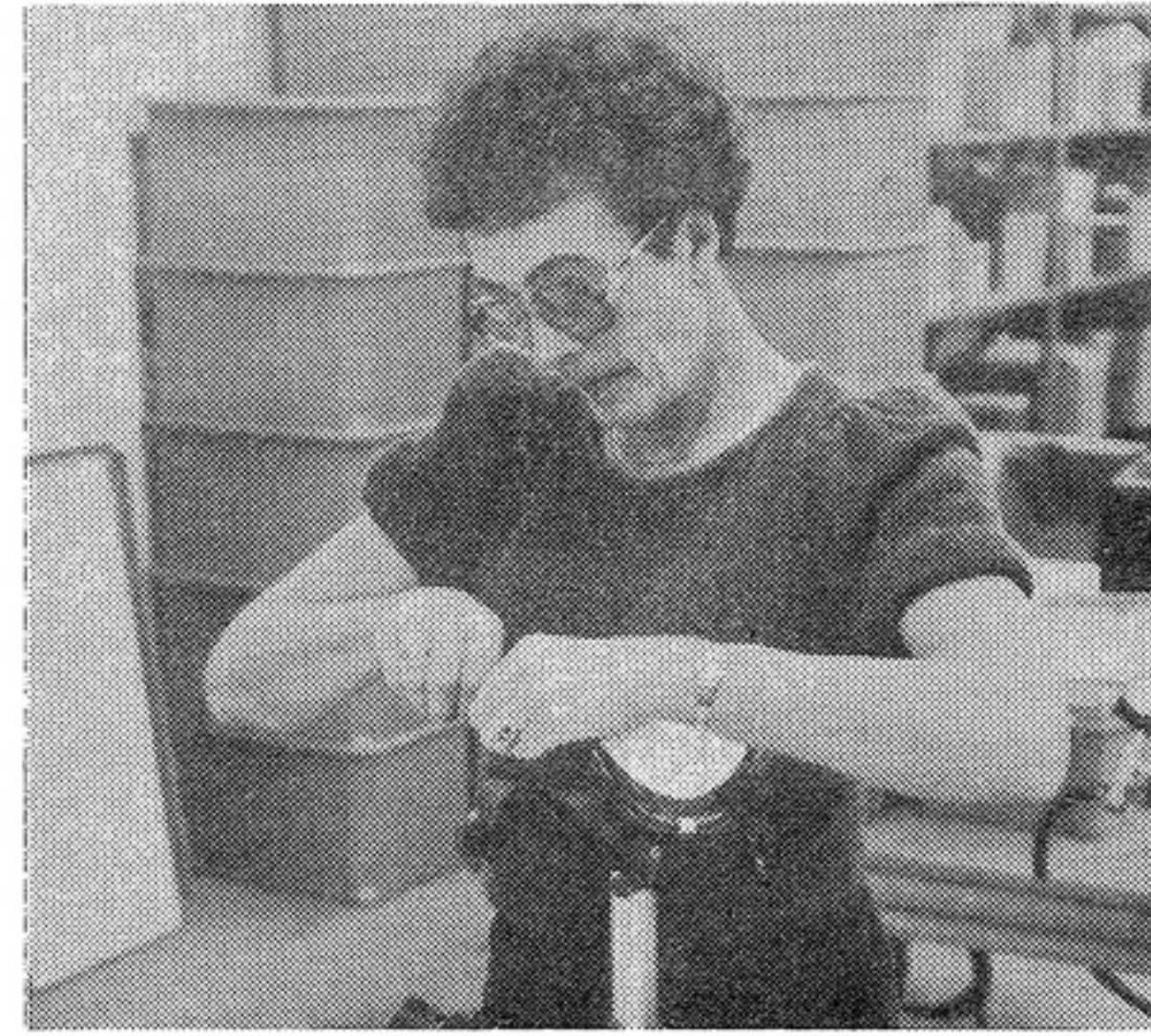
LORETTA CHANEY
Assembler/Machine Operator A



TARNES
ne Operator B



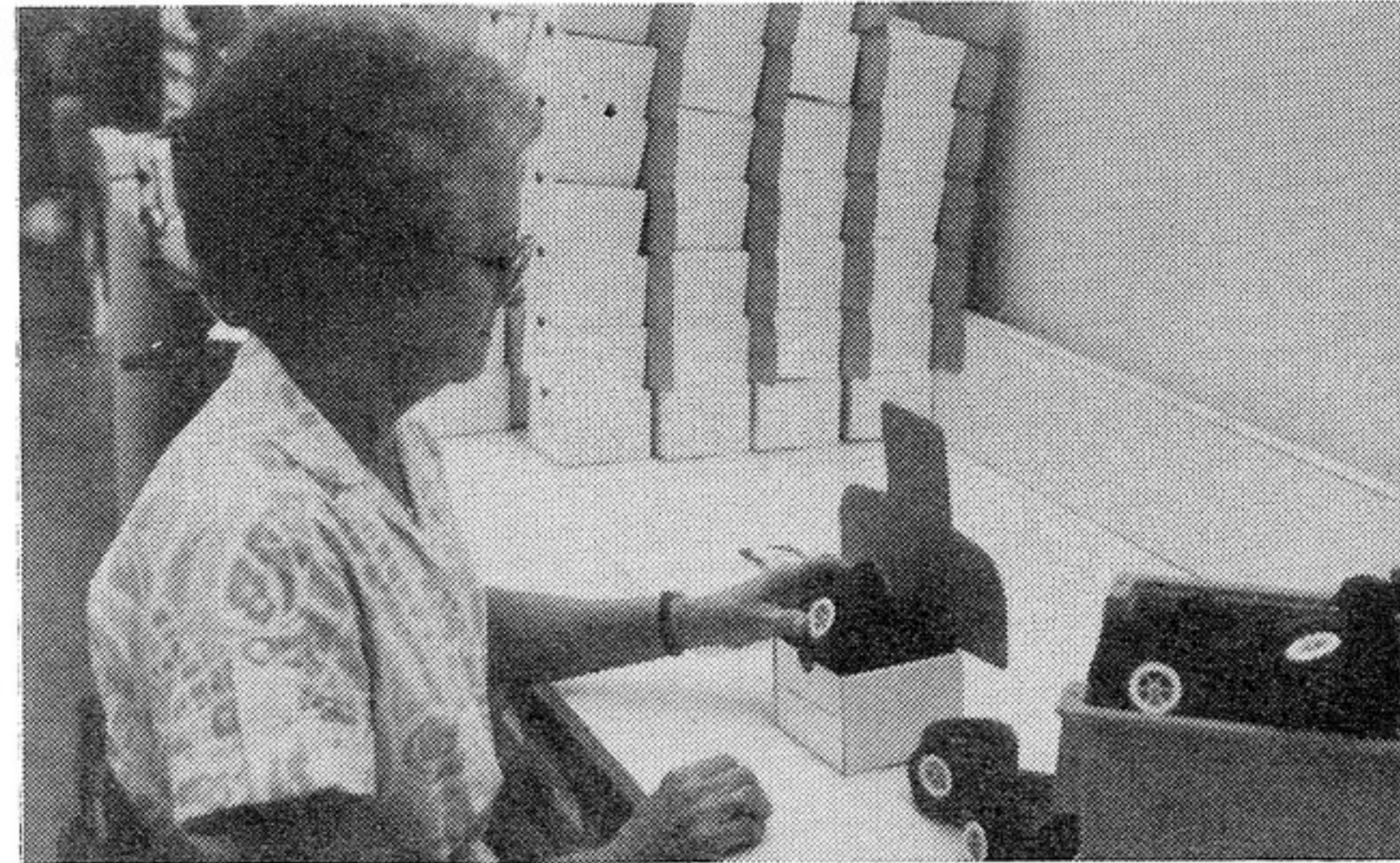
BRENDA WILLIAMS
Assembler/Machine Operator A



MARGARET STANFORD
Assembler/Machine Operator B

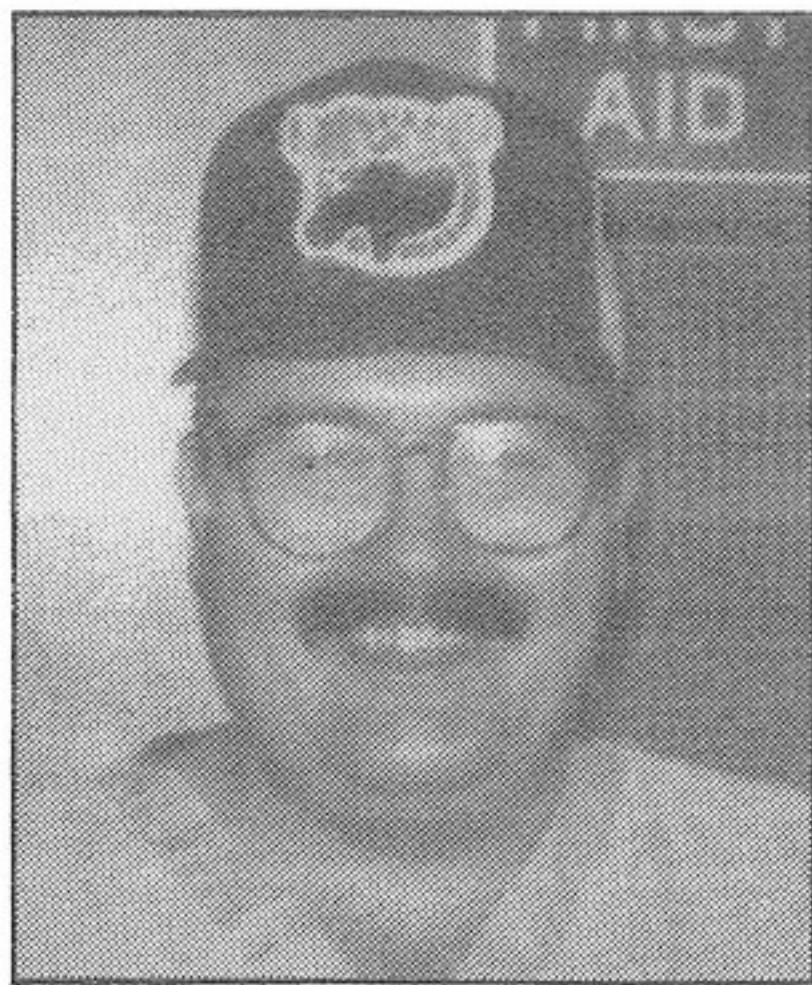


GWEN CRAIG
Assembler/Machine Operator A



FRANCES NANCE
Assembler/Machine Operator B

A Helping Hand



Returning home from attending an I.U.E. International Convention, Scott - Lancaster's machinist, Pat McCarthy, was alerted by fellow delegates to a passenger experiencing medical problems.

Pat identified himself as a New York State EMT/Paramedic to the flight attendant and quickly began his assessment of the person's seizure. He administered oxygen from a Scott O₂ tank carried on the aircraft.

With the flight still over an hour away from its destination, Pat determined the passenger's condition was becoming worse and required more intensive medical care. An emergency landing was made in Charlotte, N.C.

Pat is commended for his quick action. His willingness to help others carries through both on and off the job.

Scott Employee Honored

Nancy Whyde, Personnel Manager for Scott's Hebron facility, was unanimously voted by the Association for Retarded Citizens of Licking County to receive a special award.

This award was presented to Nancy in recognition for her outstanding services rendered to the members of the community with mental retardation and developmental disabilities.

Working With Local Job Training Programs

Central Ohio Regional Consortium (CORC) and On-the-Job Training Programs have been working with Scott Aviation in Hebron, Ohio. Approximately 28 workers referred to Scott through these programs have been hired.

CORC does the pre-testing and necessary screening before referring any potential employees. Other benefits include the financial assistance the company receives while the employees are in training. "By assisting us with the training expenses, CORC helps compensate for the lower productivity experienced during a new employee's training period." Nancy Whyde goes on to explain the simplicity of the program, "It's not that involved of a program. It's really simple as far as paper work is concerned. There's also no obligation to hire any of the referrals the CORC people send."

A Special Family

Diana Schnitzer lives in Lancaster, NY and raised her two children on her own. Recently, her heart and her home have opened up to a new and special family.

While most families would think of young children for adoption, there are others waiting for the chance to become part of someone's life. Five years ago, Diana adopted Dawn who was 12, and in 1986 she adopted Melissa, age 16. Her love does not stop here. Last July, Diana added another member to her growing family, Justin, age 8.

Diana decided her own life needed something more; there was a void that had to be filled. Adoption was her answer. The children have brought a new meaning and purpose to her life. She has found that with the right love and discipline, children will blossom. As an example, one of her daughters was thought to be slightly retarded. Under Diana's caring and guidance, her daughter is now diagnosed as having only a minor learning disability.

There are the rough times too. It took Diana and her children over a year to clear the emotional hurdles. They had to learn how to trust each other.

Diana tells us though, "when the children hug me and tell me they love me, it is all worthwhile."



Diana Schnitzer and her family



One Rainy Christmas Eve

It was a cold, rainy Christmas Eve, the kind when the best thing to do is curl up in a big chair with a blanket and a cup of hot cocoa by a roaring fire...which was exactly what I intended to do—that is until my sister came in the house.

Pam brought in a box overflowing with brightly wrapped secrets to add to the many boxes already spread on the kitchen floor. When she called for help in sorting them, I was the only one around.

To a passerby, it would seem as if a world of Christmas dreams were going to come true for our family, but a closer look would tell a different story.

As a volunteer for County Social Services, Pam was assigned as Sub-For-Santa. Somehow she managed to draft our entire family into the project (in spite of our protests). By late afternoon, the last of the contributions were carried in to the kitchen, each assigned a family's name, ready for delivery.

As evening approached, a cold wind began to stir what leaves were left on the ground, ushering in an icy rain. Bundled up in coats, gloves and hats, we set out to deliver "Christmas." We delivered the boxes and headed for the last house.

We drove up a long, dark street, where little shack-like houses stood packed close together. We came to a stop in front of a little house where the numbers 263 hung askew on a faded blue door. Worn sheets, posing as drapes, covered two small, dark windows.

Pam knocked on the door. No answer. She knocked again. Still no answer. As we turned to leave, a pale, young woman opened the door. Fearfully, she asked: "Who are you, and what do you want?" We tried to explain why we were there, but she didn't seem to understand until Pam gave her one of the gift-filled boxes and said, "Merry Christmas!" The woman's face lit up. She called out in Spanish. Five wide-eyed children dressed in ragged pajamas emerged from a tiny bedroom and huddled together in the hall.

Box after box of food and presents were carried in and placed on the floor. The children giggled with delight as the gifts were passed around. Then came the Christmas tree. We forced the tree through the narrow doorway into the front room where its top branches bowed in submission to the low ceiling. Though it was bare of ornaments, the smiles and laughter of the children said it was the grandest of them all.

In the excitement, no one noticed the woman slip into the back to pull her bedridden husband out, bed and all, to join the festivities. Speaking broken English, his heart-felt effort to express his gratitude was hampered by his limited vocabulary. But his tear-filled eyes spoke a language we all understood. He and his wife watched silently as their children tore through the gift wrappings to expose their new treasures. Even the used and broken toys were greeted with "oohs" and "ahs".

Pam then went outside and returned with a small turkey that had been forgotten in the commotion. She handed it to the woman, who let out a delighted gasp. Silence fell over the room as all eyes turned to the woman. The children put down their toys, their dark eyes danced in anticipation. The toys, the tree, the candy and cookies were all forgotten: this family was going to have meat for Christmas dinner.

The drive home was a silent one, each of us immersed in his or her own feelings about what we had just witnessed. A new appreciation for the simple things in life warmed the hearts of the once rain-chilled group.

A discarded blanket, a cup of cold cocoa now sat by the big empty chair in front of the fireplace. Looking at the setting, I realized on this cold, rainy Christmas Eve, the word "warm" had taken on an entirely new meaning.

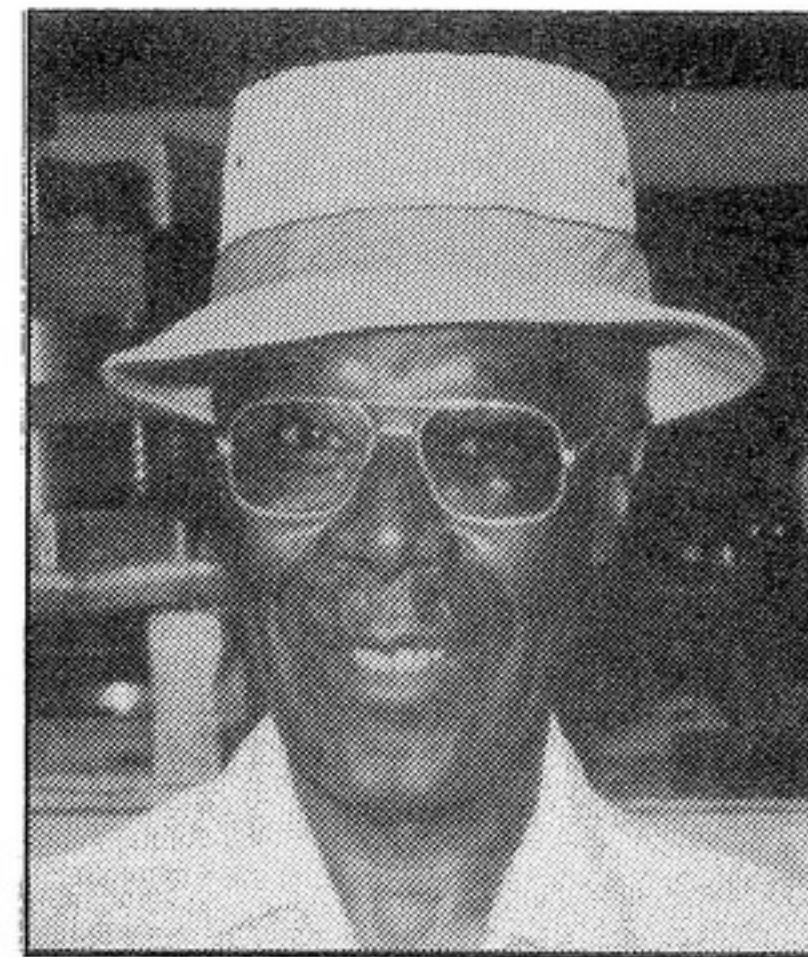
By Wendy Berrett, Courtesy of First Security Corporation.

Retired Employees from Scott - Monroe

During 1988, four employees retired from Scott - Monroe. Lurlyne Helms with 22 years; Warren Cox, 23 years; James Melton, 27 years and Johnnie Jordan with 19 years of service with the company.

They were each honored by their fellow employees with refreshments and gifts.

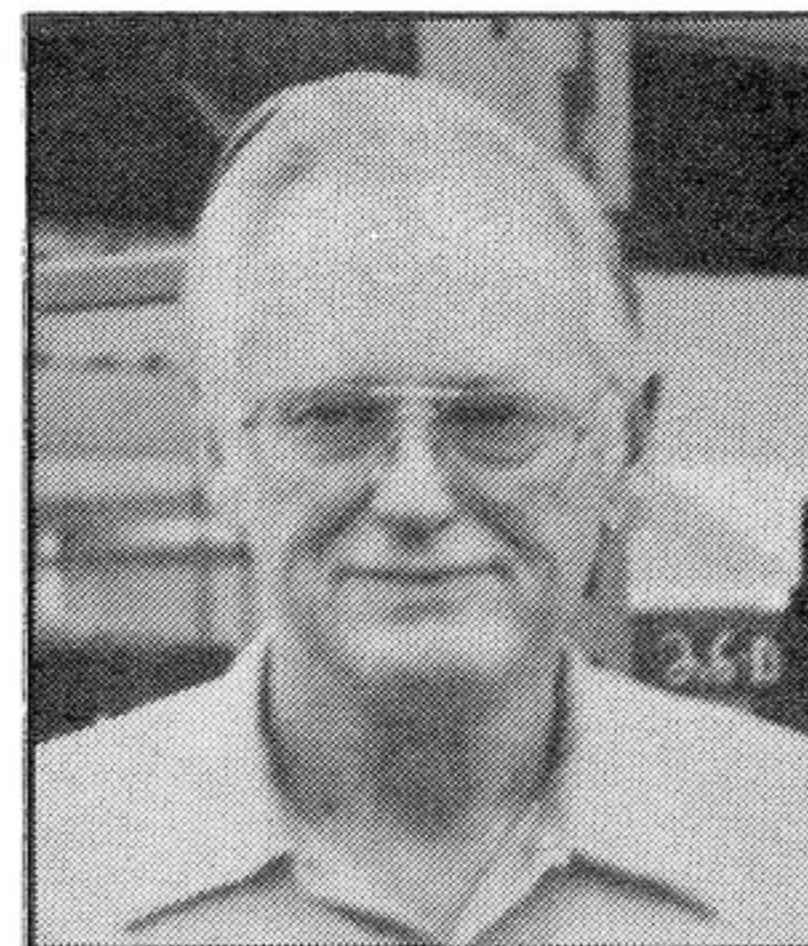
We understand they are enjoying their retirement with a little baby-sitting, hunting, fishing and honey-do's thrown in. We want to wish them the best in their new adventure in life.



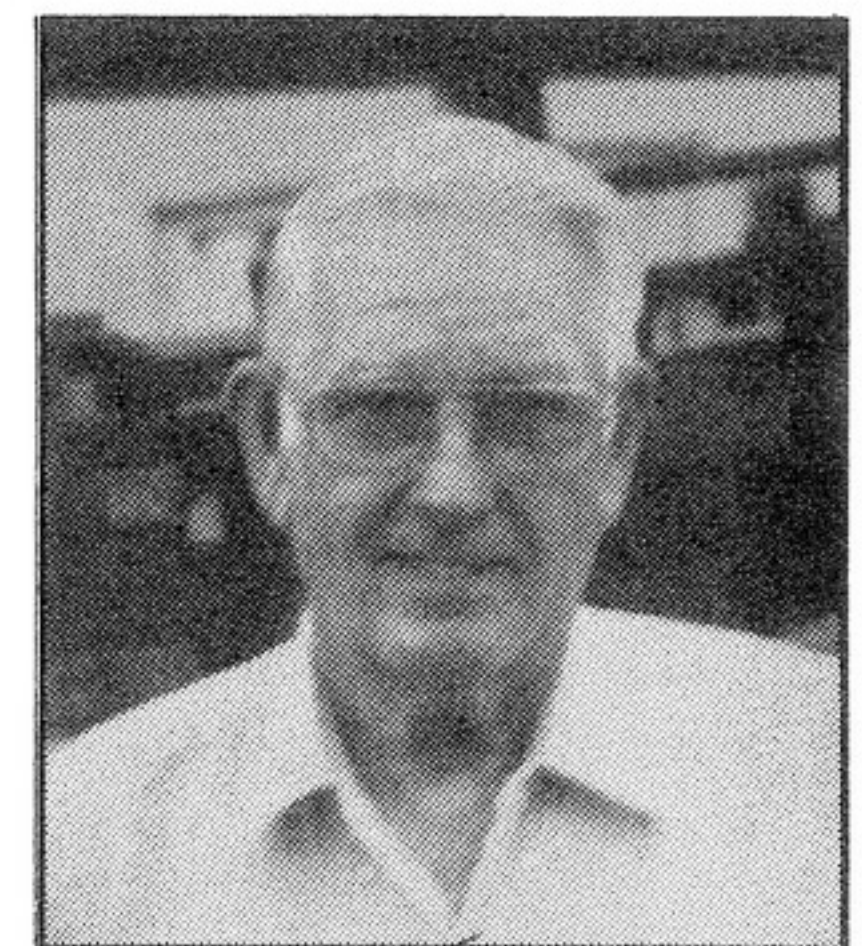
Johnnie Jordan



Lurlyne Helms



Warren Cox



James Melton

Awards Presented to 136 Employees

At the end of each year, we honor employees who are celebrating service anniversaries with Scott. People being specially recognized for 25 years or more of service with the company during 1988 include:

25 YEARS

Ray Brodzik - Lancaster
Mary Ann House - Monroe

30 YEARS

Neil Allen - Lancaster
Vern Carlson - Lancaster
Ed Dylag - Lancaster
Joseph Konieczko - Lancaster
Vincent Lorber - Monroe
Homer Robson - Monroe
Don Ross - Lancaster
Frank Schiralli - Lancaster

35 YEARS

Mandres Carlson - Lancaster
Clayton Daniel - Monroe
Earle Ganzenmuller - Lancaster

There are also 122 Scott employees throughout the division celebrating service anniversaries of 5, 10, 15, and 20 years with Scott during 1988. Congratulations to these dedicated employees who have contributed to the growth and success of Scott Aviation.

One Size Fits All



U.S. SAVINGS BONDS
Buy Something For The Future

Christmas

*What is Christmas all about
My young son asked of me
Why do we celebrate each year
With a beautiful Christmas tree?*

*Is there really a man called Santa Claus
With reindeer and a sleigh
That brings the toys and presents
To the children on Christmas day?*

*Does Rudolph the red-nosed reindeer
Guide Santa's sleigh at night
When he is making his deliveries
On a snowy wintry night?*

*Where is the North Pole and Mrs. Claus
Do the Elves work every day
And who takes care of Mrs. Claus
While Santa is away?*

*The answers to your question son
Was a very quiet birth
In a little town of Bethlehem
God's son came down to earth.*

*Christmas is Christ's birthday
And we celebrate each year
With a Christmas tree and presents
For everyone we hold dear.*

*His questions have been answered
And it's very plain to see
He understands what Christmas is
And what it means to me.*

Larry Erickson
December 22, 1980

EDITORS CORNER

The next issue of the Scott News Capsule will be published in April, 1989. Comments are always appreciated.

EDITORS

Dick Kaczmarek
Tom Cleary

NEWS COORDINATORS

Lancaster - E. Militello
Monroe - M. Hendley
South Haven - P. Davis
Sierra - K. McMyne

LAYOUT, COMPOSITION & ART

Village Typesetting and Graphic Arts



BETTY SLOAN
Assembler/Machine Operator B



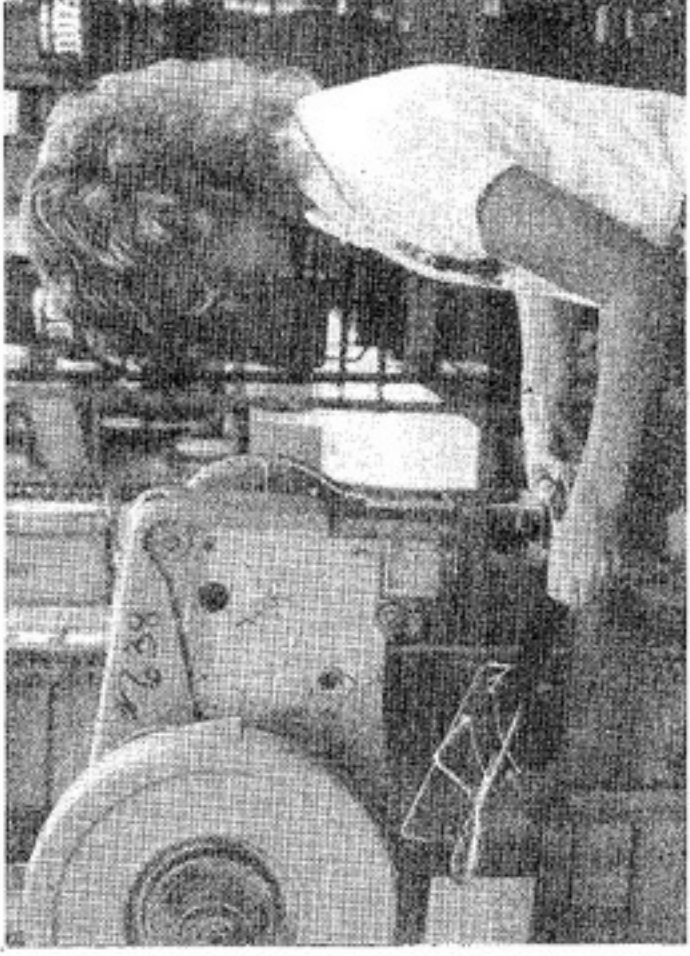
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Supervisor



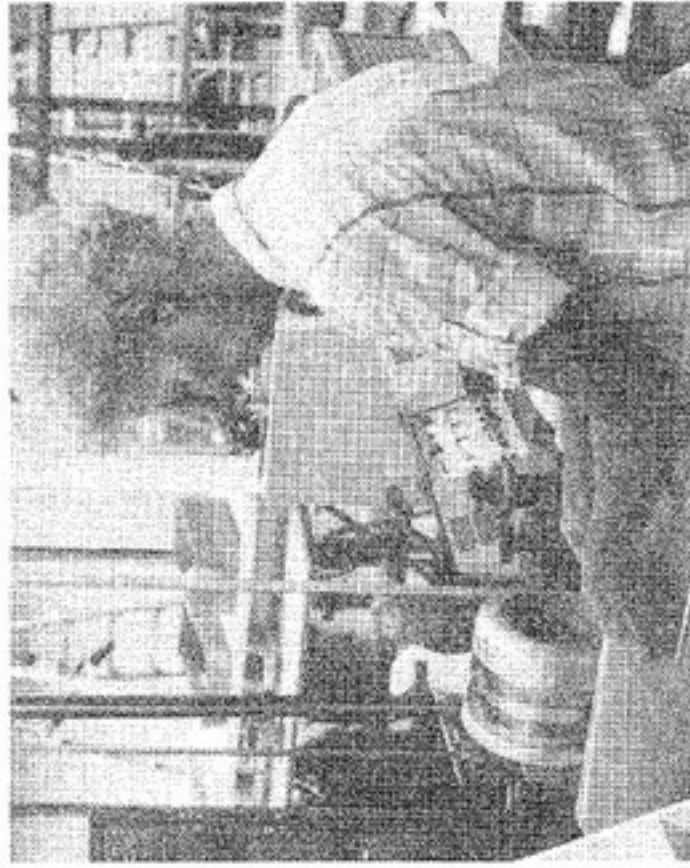
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Assembler/Machine Operator B



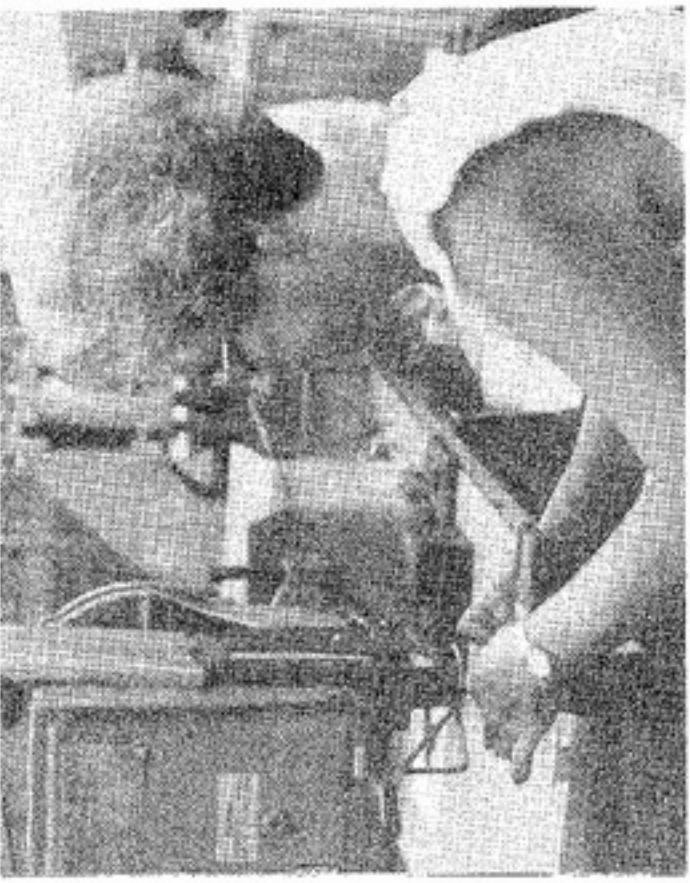
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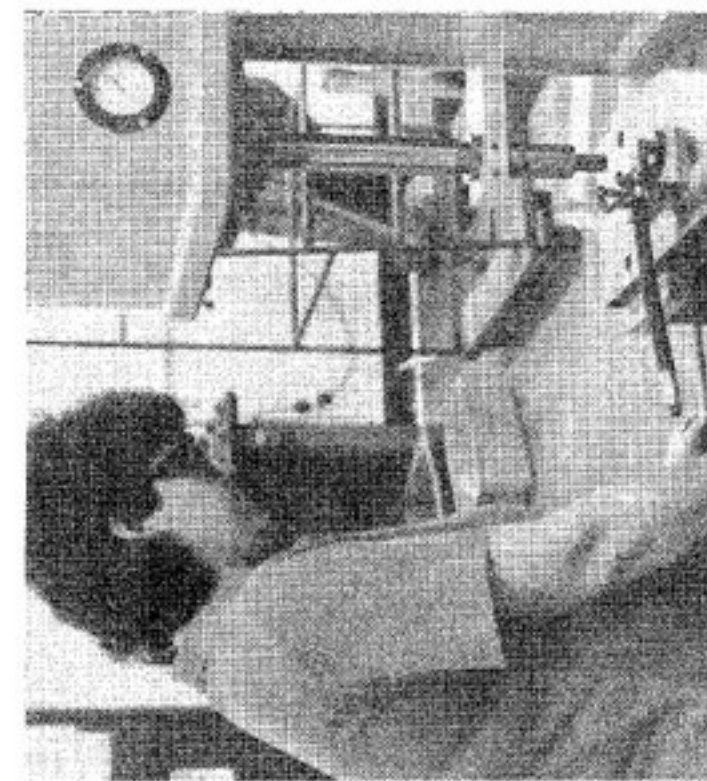
ANNIE KEZIAK
Assembler/Machine Operator A



LORETTA CHANEY
Assembler/Machine Operator A

SPOTLIGHT

Meet some of the people responsible for the assembly/inspection of the Air-Paks and sub-assemblies at our Monroe, North Carolina facility. They are striving for a goal of at least 94 Air-Paks each day.



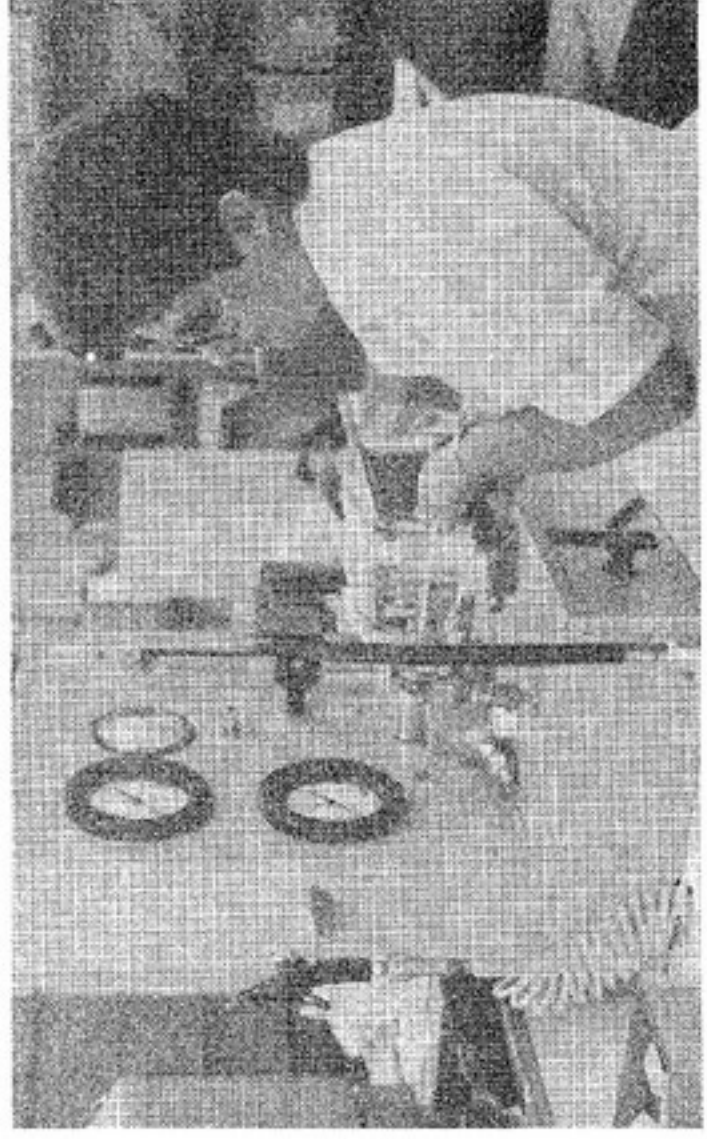
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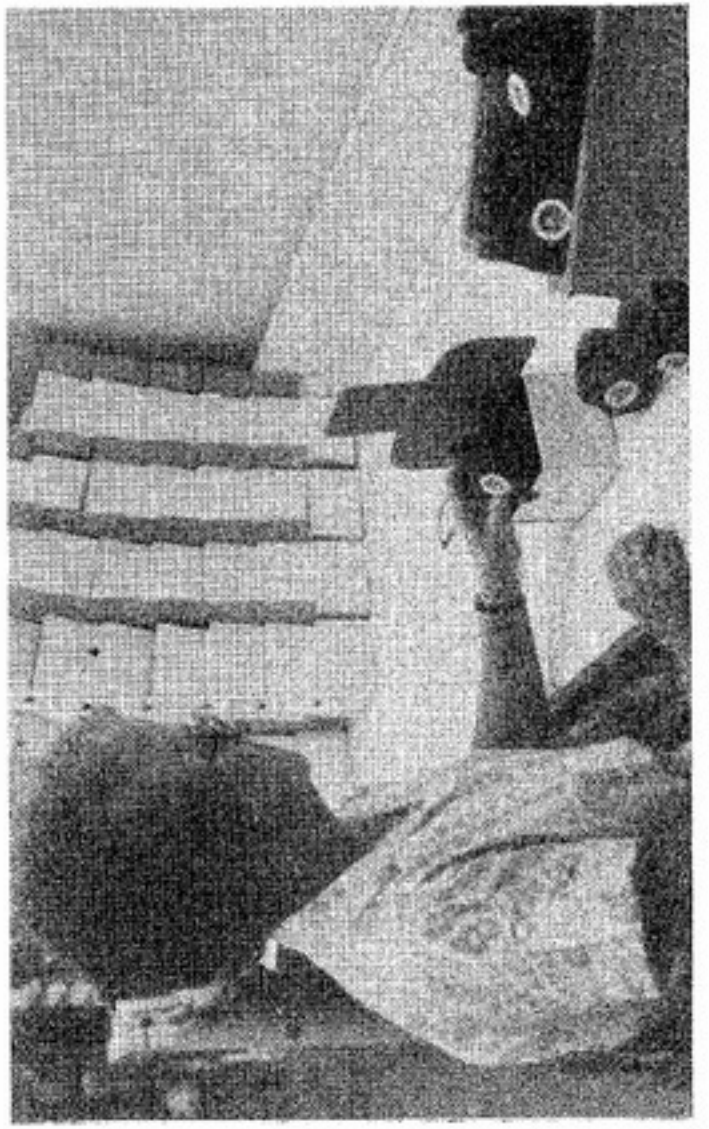
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